

Minutes

LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY

Louisiana Agricultural Commodities Commission

Veterans Memorial Auditorium

5825 Florida Blvd.

Baton Rouge, LA 70806

August 12, 2010

9:30 a.m.

I. Call to Order

Mr. Robert Hanks called the meeting to order at 9:30 a.m.

II. Roll Call and Declaration of Quorum

Commission Members Present

Mr. Robert Hanks
Mr. Filmore Bordelon
Mr. Kevin Adams
Mr. Donald Berken
Mr. Keith Hensgens

Absent Members

Mr. Lee Carter
Mr. Ryan Ellington
Mr. Kenny Self
Mr. Donald Zaunbrecher
Commissioner Strain

There were five (5) members present.

Staff Members Present

Assistant Commissioner of the Agro Consumer Services Division, Benjy Rayburn
Director of the Louisiana Agricultural Commodities Commission, Ashley Dupree
Assistant Director of the Louisiana Agricultural Commodities Commission,
Kyra Holden
Louisiana Department of Agriculture & Forestry Auditor, John Smith
Louisiana Department of Agriculture & Forestry Auditor, Robert Johnston
Administrative Assistant IV, Gail Moutz

III. Public Comment

Mrs. Ashley Dupree explained to the Louisiana Agricultural Commodities Commission that Act 850 was passed during the last legislative session. The new law requires a period of public comment prior to a vote on any agenda item. She stated that it was the decision of the LACC staff to hold the public comment at the beginning of the Agenda and before any action that required voting by the Commission.

IV. Adoption of Minutes – June 28, 2010

Mr. Hanks asked if there was any public comment. There was none.

A motion was made by Mr. Keith Hensgens and seconded by Mr. Kevin Adams to approve the minutes as read. The motion carried unanimously.

V. Consideration of New Grain Dealer License Application:

Mr. Hanks asked if there was any public comment. There was none.

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Donald Berken to go into Executive Session. The motion carried unanimously.

A motion was made by Mr. Donald Berken and seconded by Mr. Filmore Bordelon to come out of Executive Session. The motion carried unanimously.

1. Agrex, Inc.

Mr. Hanks asked if there was any public comment. There was none.

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Kevin Adams to approve the Grain Dealer license application for Agrex, Inc. The motion carried unanimously.

VI. Old Business

1. Central Louisiana Grain, Motion for Summary Judgment

Mrs. Dupree informed the Commission that there was a motion for summary judgment filed in the Western District Bankruptcy Court regarding the Central Louisiana Grain appeal. She explained to the Commission that a motion for summary judgment exists when one of the parties involved in a lawsuit asks for the judge to state that there are no material issues of fact. Mrs. Dupree stated that the party then asks the judge to rule on the matter.

Mrs. Dupree stated that it is the position of the Louisiana Agricultural Commodities Commission's staff that the Louisiana Department of Agriculture and Forestry should have control over Central Louisiana Grain's \$50,000 Self-Insurance Bond. She stated that there is \$75,000 in question, the \$25,000 Warehouse Self-Insurance Bond and the \$50,000 Self-Insurance Grain Dealer Bond. The bankruptcy trustee claims that the Self-Insurance Bonds belong to the estate. Mrs. Dupree stated that there is a conference call scheduled today between the attorneys representing the Department and herself to discuss the judge's decision. Mrs. Dupree informed the Commission members that she would notify the Commission as to the results of the conference call. Mrs. Dupree stated that there has not been any discovery filed by the bankruptcy trustee.

2. Follow up on licensees in Monitoring Program

Mr. Hanks asked if there was any public comment. There was none.

A motion was made by Mr. Keith Hensgens and seconded by Mr. Donald Berken to go into Executive Session. The motion carried unanimously.

A motion was made by Mr. Kevin Adams and seconded by Mr. Donald Berken to come out of Executive Session. The motion carried unanimously.

3. Grain and Cotton Indemnity Fund Balance

Mrs. Dupree reported that the present balance of the Grain and Cotton Indemnity Fund is \$276,652.77. Mrs. Dupree stated that there were \$472,903 worth of approved claims left to pay.

VII. New Business

Mrs. Dupree stated that she received information that the United States Department of Agriculture has permitted the use of electronic warehouse transactions in certain areas. Mrs. Dupree stated that she spoke with a gentleman from the Illinois Department of Agriculture. Illinois is currently utilizing the E-Grain system. Mrs. Dupree stated that Illinois's laws are different than Louisiana's laws and that she would do research to see what the pros and cons are of using the E-Grain receipts. The Commission did not oppose the use of electronic warehouse receipts in Louisiana.

VIII. Date for Next Meeting

Mrs. Dupree informed the Commission that Mr. Douglas requested that the Adjudicatory Hearing regarding his appeal be rescheduled. Mrs. Dupree stated that the next date for the Adjudicatory Hearing will be scheduled in November, 2010 and the LACC staff would contact the Commission of the exact date and time. Mrs. Dupree stated that this meeting would also serve as the next quarterly meeting.

IX. Adjournment

Mr. Hanks asked if there was any public comment. There was none.

A motion was made by Mr. Keith Adams and seconded by Mr. Keith Hensgens to adjourn the meeting. The motion carried unanimously.

Mr. Robert Hanks, Chairman